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WELFARE REFORM

Implementing DOT's Access to Jobs Program



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Resources, Community, and
Economic Development Division

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The Honorable Alfonse M. D'Amato
Chairman
The Honorable Paul S. Sarbanes
Ranking Minority Member
Committee on Banking, Housing,
and Urban Affairs
United States Senate

The Honorable Bud Shuster
Chairman
The Honorable James L. Oberstar
Ranking Democratic Member
Committee on Transportation
and Infrastructure
House of Representatives

Welfare reform specialists assert that transportation is an important element in moving people from welfare to work. Three-fourths of welfare recipients live in either central cities or rural areas, while two-thirds of the new jobs are located in the suburbs.¹ The effects of this geographic mismatch are compounded by the low rate of car ownership among welfare recipients. The Transportation Equity Act for the 21st Century (TEA-21) brought attention and funding to the transportation element of welfare reform. The act authorized a welfare-to-work program, known as the Access to Jobs and Reverse Commute (Access to Jobs) program, and authorized up to \$750 million over 5 years to implement it. The program will provide grants to local agencies and authorities, nonprofit organizations, and transit authorities, among others, to improve mobility for employment. The Department of Transportation (DOT) has begun to implement the program by addressing issues associated with the distribution of grant funds, selection of grantees, coordination of federal agencies' efforts, and evaluation of the program. These actions are intended to ensure that the transportation funds provided by the Access to Jobs program will be used efficiently and effectively in support of national welfare reform goals.

As part of the program's authorization, TEA-21 directed DOT to evaluate the Access to Jobs program within 2 years of the act's enactment. TEA-21 also

¹The need for transportation services to move people from welfare to work is discussed in our report Welfare Reform: Transportation's Role in Moving From Welfare to Work (GAO/RCED-98-161, May 29, 1998).

required us to review the program every 6 months. This is the first report in response to this requirement. This report describes DOT's (1) overall plan to distribute Access to Jobs funds among grantees in urban and rural areas; (2) criteria to award specific Access to Jobs grants to states, localities, and other organizations; (3) efforts to coordinate the Access to Jobs program with other welfare-to-work programs; and (4) proposals to evaluate the program's success.

Results in Brief

Since the Transportation Equity Act for the 21st Century authorized the Access to Jobs program in June 1998, the Department of Transportation has made several important decisions about the program's basic structure and operating procedures, including a decision about how it will distribute the \$75 million available for the program in fiscal year 1999. The Department has decided that it will distribute the funds to as many areas as possible by setting suggested limits on the amounts areas can receive on the basis of their population levels. Under this approach, the Department intends to provide first-year grants that average \$1 million for large urban areas and \$150,000 for rural areas.

The Department of Transportation will use four key criteria for evaluating grant applications on the basis of their merits. These four weighted criteria are a project's effectiveness, an area's need for services, the degree of local coordination, and the project's financial sustainability. The Department will assess each grant application and assign points on the basis of these criteria, as well as bonus points for program components such as particularly innovative transportation approaches. Whether these criteria will enable the Department to make sufficient distinctions among the many applications it expects to receive is unclear. Accordingly, the Department may use other factors, such as geographic distribution, to make the final grant selections. While using these factors may provide the Department with the means to break ties among projects of comparable merit, it may unintentionally suggest that the merit-based criteria used to develop and score the applications are less important than other factors that are not based on merit.

The Department of Transportation has made important efforts to coordinate its Access to Jobs program with other welfare-to-work programs. It established a policy council with representatives from four other federal agencies and the White House to develop its program. In May 1998, the Secretaries of Transportation, Health and Human Services, and Labor issued joint guidance explaining how human service

organizations can use federal funds to provide transportation services for people moving from welfare to work. The Department plans to continue working with other federal agencies to help review applications for Access to Jobs grants. In addition, the Department has met with local human service organizations both to obtain their input on the program's design and to educate them about the importance of working with local transportation agencies to develop an integrated planning process for developing Access to Jobs projects. Because grantees can use other federal funds to match the Department's grants, sustained coordination between the Department and other federal agencies, as well as sustained collaboration among local agencies, is critical for ensuring the effective use of federal welfare-to-work funds.

Department officials acknowledge that welfare-to-work programs must establish performance measures to evaluate success. As part of its evaluation effort, the Department will require Access to Jobs grantees to collect data on four important program outputs: (1) the number of new and expanded transportation services (service frequency, hours, and miles), (2) the number of jobs made accessible by public transportation to the targeted riders, (3) the number of people using the new transportation services, and (4) the level of collaboration achieved. These data will provide the Department with good information for monitoring Access to Jobs projects, and collecting the data will serve as a step in developing an evaluation plan. However, the data alone will not be sufficient to measure the program's overall performance or success because the Department has yet to establish goals or benchmarks against which the cumulative data on new routes, new system users, and newly accessible jobs can be compared.

Background

The enactment of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193) dramatically altered the nation's system to provide assistance to the poor. Among many changes, title I of the act replaced the existing entitlement program for poor families (Aid to Families With Dependent Children) with fixed block grants to the states to provide Temporary Assistance for Needy Families (TANF). TANF provides about \$16.5 billion annually for the states to use in helping families become self-sufficient. TANF imposes work requirements for adults and establishes time limits on the receipt of federal assistance. In addition, other federal programs are designed to help individuals move from welfare to work. For example, the Department of Labor (DOL) has a 2-year, \$3 billion grant program, the Welfare-to-Work program, to help people

with poor work histories, little or no education, or substance abuse problems obtain jobs.

Transportation and welfare studies show that without adequate transportation, welfare recipients face significant barriers in trying to move from welfare to work. Existing public transportation systems cannot always bridge the gap between where the poor live and where jobs are located. These existing systems were originally established to transport inner-city residents to city locations and bring suburban residents to central-city work locations. However, many of the entry-level jobs that welfare recipients and low-income individuals would likely fill are located in suburbs that have limited or no access to existing public transportation systems. Furthermore, many entry-level jobs require shift work in the evenings or on weekends, when public transit services are either unavailable or limited.²

With the enactment of TEA-21, which established the Access to Jobs and Reverse Commute program, DOT became an important sponsor of welfare-to-work initiatives.³ In general, this program will provide grants to local agencies and authorities, nonprofit organizations, and transit authorities, among others, to improve mobility for low-income individuals seeking employment. TEA-21 authorized up to \$750 million from fiscal year 1999 through fiscal year 2003 for the Access to Jobs program. Some of the funds are "guaranteed," that is, subject to a procedural mechanism designed to ensure that minimum amounts of funding are provided each year. The amount of funds subject to the "guarantee" increases each year so that by fiscal year 2003, the authorized funds are all "guaranteed." The Department of Transportation and Related Agencies Appropriations Act for fiscal year 1999 provided \$75 million for the program rather than the \$50 million subject to the "guarantee" and the maximum \$150 million authorized. TEA-21 limits funding to 50 percent of each grantee's project. The remaining 50 percent can be obtained from a variety of sources, including some welfare programs administered by other federal agencies.

Since TEA-21 established the Access to Jobs program in June 1998, DOT has begun establishing the program's basic structure and operating

²According to DOT and DOL officials, DOT's Access to Jobs and DOL's Welfare-to-Work funds cannot be used to help individuals purchase cars.

³TEA-21 provides that DOT shall use not more than \$10 million of the funds available each year for reverse commute projects. TEA-21 defines reverse commute projects as those related to the development of transportation services designed to transport residents of urban areas, urbanized areas, and areas other than urbanized areas to suburban employment opportunities.

procedures.⁴ In May 1998, DOT established a task force of DOT officials to address several issues needing resolution before the program's implementation. The task force was divided into four working groups focusing on the (1) distribution of funds, (2) criteria for selecting grantees and administrative requirements, (3) coordination among federal agencies and public outreach, and (4) program's evaluation. Each working group was assigned several subsidiary issues. For example, the group working on the distribution of funds was tasked with determining the size of the program's grants. On October 22, 1998, DOT officially released guidance detailing how potential grant applicants can request Access to Jobs funds. According to the guidance, grant applications are to be submitted by December 31, 1998. DOT plans to evaluate the applications and notify the successful applicants in February 1999.

DOT Plans to Maximize the Number of Grants Awarded

Although TEA-21 established a framework for allocating Access to Jobs funds to applicants, it gave DOT the discretion to decide how best to distribute the funds each year. Since the program began in June 1998, the Department has made preliminary decisions to maximize the number of first-year grants by setting suggested limits on the amount of grants available to areas with different population levels, such as areas with over 1 million people.

TEA-21 requires DOT to allocate the available funding between urban and rural areas. Specifically, the act requires DOT to allocate 60 percent of the program's funds each year to projects in urban areas with populations of at least 200,000; 20 percent of the program's funds to projects in urban areas with populations of less than 200,000; and 20 percent of the program's funds to projects in areas other than urban. In addition, the conference report on the Department of Transportation and Related Agencies Appropriations Act for fiscal year 1999 directed DOT to give high priority to rural counties that are not served or are underserved by public transportation.

The Department of Transportation and Related Agencies Appropriations Act for fiscal year 1999 provided DOT with \$75 million for its Access to Jobs program. To maximize the number of grants awarded, DOT is asking areas with specified populations to apply for grants limited to specified funding targets. DOT suggests that urban areas with populations of over 1 million should generally limit their requests to about \$1 million, while rural areas with populations of less than 50,000 should request about \$150,000. DOT

⁴The Federal Transit Administration is responsible for managing the program.

also suggests average grant sizes for areas with populations ranging from 1 million to 200,000 and from 200,000 to 50,000. According to information from DOT, these recommended grant amounts would permit the Access to Jobs program to award grants to about 74 percent of the largest metropolitan areas in the country (about 25 locations), about 38 percent of the areas with populations from 200,000 to 1 million (about 35 locations), about 21 percent of the areas with populations from 50,000 to 200,000 (about 60 locations), and about 3 percent of small rural areas (about 99 locations).

According to DOT officials, this approach for distributing the program's funding may discourage the legislative designation, or earmarking, of funds for specific projects, as is done for some other DOT programs, such as the Federal Transit Administration's (FTA) New Starts program for fixed guideway systems.⁵ In addition, DOT officials noted that an average of \$150,000 for each rural applicant is in line with the potential need of these areas. For example, the Community Transportation Association of America, a nonprofit organization, told DOT that Access to Jobs grants of \$150,000 would be adequate for many smaller rural areas. Finally, a group of rural counties in southern Illinois told DOT that \$127,000 would be adequate to extend bus service on all their existing lines on evenings and weekends, thereby greatly benefiting welfare-to-work programs in the area.

Grants of \$1 million for large urban areas are smaller than those awarded by other federal agencies, such as DOL.⁶ For example, three Chicago-area grantees received DOL grants totaling almost \$11 million, including a \$3 million grant focusing on welfare-to-work transit services. Under DOT's suggested funding levels, the Chicago area may receive only \$1 million in Access to Jobs funds. But if an Access to Jobs grant is combined with other welfare reform funding for projects supporting transportation, the combined funding may help to address welfare-to-work transportation needs in urban areas. For example, the Chicago area has received federal grants that support transportation for welfare recipients and low-income individuals from both DOL's \$3 million competitive Welfare-to-Work grant

⁵This program provides funding for capital projects for new fixed guideway systems and extensions to existing fixed guideway systems.

⁶The Balanced Budget Act of 1997 established a 2-year, \$3 billion grant program, the Welfare-to-Work program, administered by DOL. Among other things, the program provides funding for job placement, on-the-job training, and support services (including transportation) for those who face significant barriers, such as substance abuse, in moving from welfare to work. About 25 percent of the funds are available for competitive grants.

program and the Department of Housing and Urban Development's (HUD) Bridges to Work program.⁷

Finally, DOT's guidance acknowledges that some potential grantees may have developed plans for job access activities whose implementation costs exceed the grant sizes suggested for fiscal year 1999. Such grantees may choose to fund their high-priority activities in the first year and use subsequent grants to fund additional elements of their plans. Applicants may also elect to use their grants for fiscal year 1999 to cover the initial costs of job access activities and use subsequent grants for carry-on activities. According to DOT's guidance, a multiyear approach will be subject to an annual review of the grantee's progress as well as the annual budget and appropriations process, among other things. According to DOT officials, potential grantees have expressed an interest in a multiyear approach because they need several years to fully develop, implement, and see results from their welfare-to-work projects. For example, several years may be needed to incorporate new transit service into communities' existing transportation systems.

DOT Proposes Four Key Criteria for Awarding Grants

TEA-21 specifies several factors that the Secretary must consider when evaluating applications for Access to Jobs grants and making final selections. In implementing TEA-21, DOT has synthesized these factors into four essential elements that an application must address: a project's effectiveness, an area's need for services, the degree of local coordination, and the project's financial sustainability. In addition, DOT will give bonus points for other program elements, such as innovation. While the Department announced final guidance on the selection process in October 1998, it is not clear whether these criteria will allow DOT to differentiate sufficiently among the many applications it may receive. DOT's guidance indicates that in addition to the specified weighted criteria, the Department may consider other factors, such as the geographic distribution of grantees, in awarding the grants. The weighted, merit-based factors may be sufficient to rank projects according to their relative merits; however, if the additional factors are needed, their use may imply that the merit-based criteria are less important than other factors, such as a project's location, that are not based on merit.

⁷HUD's Bridges to Work program provided about \$1.6 million for Chicago's Bridges to Work project. This \$17 million program, which provides job placement and other support services in addition to transportation, is designed to place about 3,000 participants in jobs in five cities—Baltimore, Chicago, Denver, Milwaukee, and St. Louis.

TEA-21 requires the Secretary to conduct a national solicitation for grant applications and competitively select grant recipients. For areas with populations of at least 200,000, each area's metropolitan planning organization will screen the applications. States will perform the same function for areas with populations of less than 200,000. TEA-21 specified eight factors for the Secretary of Transportation to consider when awarding Access to Jobs grants. These factors are the percentage of welfare recipients in the population of the area to be served; the need for transportation services; the extent of coordination with, and the financial commitment of, existing transportation service providers and the state welfare agency; the extent of coordination with the community to be served; the use of existing transportation services; the use of innovative approaches; the existence of regional transportation plans; and the existence of long-term financing strategies.

After internal and external discussions, DOT arrived at four "essential" criteria for evaluating and scoring applications: (1) a project's effectiveness, (2) an area's need for services, (3) the degree of local coordination, and (4) the project's financial sustainability. Table 1 shows the weight DOT has assigned to each criterion. In applying the criterion for the project's effectiveness, DOT officials will attempt to ensure that the approach described in the grant application addresses the transportation problem the grant is trying to alleviate. Similarly, the criterion for need, measured by things such as the number of low-income individuals to be helped and the types of transportation services to be added, is intended to ensure that the application identifies the need for a DOT grant.

DOT also believes that its criterion on local coordination will help providers of transportation and human services understand the importance of local coordination to a project's success. DOT officials noted that it may still be difficult to determine if there is "real," or merely perfunctory, coordination among these groups. DOT also included a criterion to evaluate an applicant's ability to obtain sustained funding for a project after the grant funds have been expended. Finally, DOT will give bonus points for applications that use, among other things, innovative approaches, links to employment support services, and employer-based strategies (such as employer-run shuttles). According to DOT officials, because DOT will give bonus points to projects that address how their proposed transportation services will be supported by employment and human services, these points will encourage local coordination.

Table 1: DOT's Grant Evaluation Criteria

Criterion	Weight
Project's effectiveness	35
Need for services	30
Local coordination	25
Sustainability	10
Subtotal	100
Bonus points	10
Total	110

Source: DOT.

DOT officials developed these criteria by combining legislative criteria and adding other specific components. For example, DOT combined the two legislative criteria for coordination with the one criterion for regional plans to develop one criterion for a coordinated human services/transportation planning process and plan. DOT also added a criterion for employers' involvement. Finally, DOT added weights to the revised list of criteria and discussed this list with leaders of other federal agencies, including the Department of Health and Human Services (HHS) and DOL. After their discussions, DOT reduced the criteria to the four listed in table 1.

DOT staff believe that their weighted evaluation criteria will provide clear breaks among application scores if, because of limited funds, the Department is required to choose among eligible projects. However, DOT's guidance also indicates that, in addition to the weighted criteria, the Department will consider other factors in selecting grantees—(1) the schedule for implementing the project, (2) the availability of funds, and (3) the geographic distribution of grants throughout the country. When DOL evaluated applications for grants during the first year of its Welfare-to-Work program, it had more applications that were deemed "competitive" (scoring over 80 points) than available funds. Even after using bonus points, DOL had more applications than available money. Accordingly, DOL used additional factors, such as geographic location and rural/urban representation, to help make the final selection. Until DOT receives and begins scoring Access to Jobs grant applications, it will not know if its weighted criteria will be sufficient to distinguish among applications or if it will need to rely on the additional factors it identified, such as geographic dispersion.

Coordination Is Key to the Program's Success

The Congress recognized the importance of coordinating welfare-to-work activities to help ensure the success of welfare reform. DOT has taken a number of steps to coordinate its Access to Jobs program with the welfare activities of HHS, DOL, and HUD. DOT invited executive-level representatives from these departments to join a policy council to provide a forum for discussing Access to Jobs implementation issues. In addition, before the Access to Jobs program was authorized, the Secretaries of Transportation, HHS, and Labor issued joint guidance to states and localities describing how each department's programs could be used together to implement transportation services under welfare reform. DOT plans to sustain its working relationship with federal social service agencies by using their expertise to help select grants that will support welfare reform's goals. Finally, DOT addressed the need for local coordination by requiring grant applicants to submit projects that are the result of a regional planning process that includes representatives from both transit and social service providers.

TEA-21 requires DOT to coordinate its Access to Jobs activities with other federal agencies' welfare-to-work programs. In May 1998, we reported on the role of transportation in welfare reform and recommended that DOT work with other federal agencies, such as HHS, DOL, and HUD, to coordinate all of their welfare-to-work activities. DOT agreed with our recommendation, noting that coordination is important to ensure the success of welfare-to-work programs. First, federal agencies can encourage state and local transportation and human service agencies and other local organizations to combine their expertise to develop comprehensive welfare-to-work projects that include a transportation component. Second, federal agencies need to work together to ensure that their funds for welfare-to-work programs are used to complement, rather than duplicate, one another. Such coordination is particularly important for the recipients of Access to Jobs grants because these grants fund only 50 percent of a project's total costs. Grantees can use federal funds such as HHS' TANF funds or DOL's Welfare-to-Work grants to fund the remaining 50 percent.

To facilitate coordination among federal welfare-to-work programs, FTA initiated a policy council in July 1998 and invited representatives from DOL, HHS, HUD, the Office of Management and Budget, and the White House to join. (App. I lists the council's membership). According to DOT, the council was established to advise the Department on implementing the Access to Jobs program, as well as to keep other agencies apprised of DOT's actions. Members of the council have worked on a number of issues associated

with implementing the Access to Jobs program and have reviewed the program's draft guidance prior to issuance. In addition, DOT and DOL, according to DOT officials, are working together to ensure that Access to Jobs grantees adhere to statutory labor protection requirements.⁸

The Secretaries of Transportation, HHS, and Labor have also worked to coordinate their welfare-to-work programs. In May 1998, the Secretaries issued joint guidance explaining how human service organizations can use HHS' TANF funds and DOL's Welfare-to-Work grants to provide transportation services for people moving from welfare to work. For example, the guidance notes that state human service organizations can use TANF funds to provide transit passes for welfare recipients or reimburse TANF recipients for work-related transportation expenses. The guidance also encourages local transportation, workforce development, and social service providers to coordinate their activities to ensure the most efficient use of federal funds. Now that Access to Jobs funds are available, DOT officials said, HHS, DOL, and DOT will issue updated guidance explaining how their welfare-to-work programs can be coordinated.

In addition, DOT's guidance states that the Department will establish an interagency work group to help it review applications for Access to Jobs grants. These applications should include information on how transportation services will be coordinated with social services, such as the job placement activities that DOL provides for TANF recipients. DOT officials expect that staff from other federal agencies like DOL and HHS will be able to help DOT assess the viability of the proposed coordination efforts. In this way, DOT will be able to take advantage of the other agencies' experience with welfare reform projects to help determine which transportation projects will benefit welfare recipients seeking jobs.

Finally, the Congress and DOT believe local coordination among social service and transportation organizations is important for a project's success. Both the metropolitan planning provisions and the Access to Jobs provisions of TEA-21 emphasize the importance of involving a wide variety of local groups in the coordination of transportation services. For example, TEA-21 states that each Access to Jobs grant project shall be part of a coordinated transportation planning process, involving both public transit and human service agencies. DOT's Access to Jobs guidance also states that grantees must include transportation and human service groups in their planning process. DOT's published grant award criteria encourage

⁸Federal transit grants are generally required to include provisions for fair and equitable arrangements to protect the interests of affected transit employees.

local coordination by providing 25 points for a coordinated human services/transportation planning process and regional job access transportation plan, as well as bonus points for grant projects linked to employment-related support services. Finally, DOT officials said that they have sought to encourage local coordination through their outreach efforts, including presentations and meetings on TEA-21 and the Access to Jobs program held throughout the country.

DOT Has Not Put an Evaluation Plan in Place

Evaluation is important because the Congress, program officials, the business community, advocacy groups, and taxpayers need to know if newly designed welfare reform programs, such as the Access to Jobs program, are working. When it announced the program's guidance in October 1998, DOT provided information on how it would monitor projects funded through the program. Specifically, DOT said that it expects grantees to monitor the performance of their projects and provide DOT with data on four project outputs. However, the data collected by the grantees may not measure the program's overall performance until DOT establishes goals or benchmarks to evaluate the information it receives from the grantees.

Experts Cite Evaluation as a Critical Component of Welfare-to-Work Initiatives

Experts say that evaluation is critical in determining the effect of welfare reform. However, an early look at welfare reform initiatives suggests that such evaluations are not routinely done. Transportation experts at the University of California are assessing how public agencies in California charged with developing and/or implementing transportation policies and programs are evaluating transportation efforts in welfare reform.⁹ In their project proposal, the experts stated that evaluation was a critical component of welfare-to-work programs; however, few welfare-to-work programs contained an evaluation component. Consequently, the experts concluded that administrators have implemented some welfare-to-work transportation policies and programs without plans to evaluate their effectiveness.

Other experts expressed concern about evaluating welfare reform programs before the Subcommittee on Human Resources, House Committee on Ways and Means, in a March 1998 hearing. The hearing focused on how policymakers could be informed of the effects of welfare reform, given the wide variation in program design and the growing number of agencies involved. The Director of the Research Forum on

⁹Faculty at the Lewis Center for Regional Policy Studies and Institute of Transportation Studies, University of California, Los Angeles, will conduct the research. The grant for this research is from the University of California Transportation Center.

Children, Families, and the New Federalism—an initiative of the National Center for Children in Poverty—was a witness at this hearing. According to the Forum, as new welfare programs are implemented across the country, the conceptual framework and methods must change and adapt; research must be flexible to study diverse combinations of programs, policies, and funding. Since policy and program changes occur frequently, the Forum concluded that research must provide information quickly to be most useful, particularly so that practitioners can identify and address problems early in the process.

DOT Has Made Limited Progress in Establishing an Evaluation Framework

TEA-21 requires DOT to evaluate the program 2 years after the act's enactment. In May 1998, we recommended that DOT establish specific objectives, performance criteria, and measurable goals for the Access to Jobs program. DOT concurred with our recommendation. In addition, the Government Performance and Results Act of 1993 (Results Act), enacted to improve the effectiveness of and accountability for federal programs, requires agencies to identify annual performance goals and measures for their program activities.

In announcing the Access to Jobs program in October 1998, DOT established two major goals for it—(1) to provide transportation services to assist welfare recipients and low-income persons in gaining access to employment opportunities and (2) to increase collaboration among transportation providers, human service agencies, employers, metropolitan planning organizations, states, and affected communities and individuals. DOT expects grantees to monitor the performance of their Access to Jobs project and to provide the Department with data on (1) how many transportation services the project added (service frequency, hours, and miles); (2) how the target area's accessibility to jobs and support services improved (i.e., how the percentage of available jobs accessible to the target population by public transportation increased with the program); (3) how many people are using these expanded services; and (4) how the project's sponsors collaborated. These measures relate specifically to transportation services—not to other related services, such as those matching people to available jobs—and reflect DOT's philosophy that transportation alone will not ensure successful employment for the target population.

However, these steps set up a data collection plan without establishing how the program's success will be evaluated. DOT's guidance does not specify key measurable goals for the program, such as increasing by an

appropriate percentage the number of jobs accessible by public transportation. As a result, once the data are collected, DOT has no standard for measuring success and no method for determining whether the data are indicative of the program's success. In responding to our May 1998 report, DOT agreed to revisit and refine its strategic plan as it applies to the Access to Jobs program and to develop performance goals and performance measures for incorporation into the Department's fiscal year 2000 Performance Plan.¹⁰ While DOT's activities mark progress towards an evaluation process, DOT has begun to implement the Access to Jobs program without plans for evaluating its effectiveness.

According to DOT's Access to Jobs coordinator, DOT recognizes that evaluation is important to the Access to Jobs program. DOT had included a specific provision on evaluation in its program proposal.¹¹ But because DOT wanted to distribute the money to start projects as quickly as possible, it chose to save evaluation issues until later. However, DOT is not currently certain how it will analyze the collected data to evaluate the nationwide success of the Access to Jobs program or what additional information it may request from grantees for this purpose. While the program's guidance is essentially complete for fiscal year 1999, the Department may add further details on performance measurement when it awards funds to the fiscal year 1999 grantees. Department officials said they plan to provide additional guidance on performance indicators for future applicants.

Conclusions

Since TEA-21 established the Access to Jobs program in June 1998, DOT has made important strides in developing an overall framework for implementing this new program. The Department has resolved many of the program implementation challenges we cited in our May 1998 report. Specifically, it has made some important decisions about how it will distribute the program's funds, what criteria it will use to review grant applications, and how it will coordinate the program with other federal agencies' efforts. However, the Department has not yet fully set forth the methods it will use to evaluate the program's success, as we recommended in our earlier report. Establishing performance measures for the Access to Jobs program is important because doing so will enable the Department to have benchmarks for evaluating the data it will receive from Access to Jobs grantees. Establishing performance measures will also enable the

¹⁰DOT's fiscal year 2000 Performance Plan should be submitted to the Congress by the spring of 1999.

¹¹DOT's 1997 proposed surface transportation reauthorization legislation included a 6-year, \$600 million Access to Jobs program to support new transportation services for low-income people seeking jobs. This proposal would have specifically authorized grants for project evaluations and technical assistance for recipients.

Department to begin its own legislatively required evaluation of the program's success. If the Department implements our recommendation, it will establish specific objectives, performance criteria, and measurable goals for this new program and include them in its fiscal year 2000 Performance Plan. Since this plan will be submitted to the Congress in connection with the fiscal year 2000 budget in the spring of 1999, Access to Jobs grantees would be aware of these objectives, criteria, and goals as they began to implement their projects.

Agency Comments

We provided a draft of this report to DOT for review and comment. We met with DOT officials—including the Acting Director of the Office of Policy, Office of the Secretary, and the coordinator for the Access to Jobs program, Federal Transit Administration—to discuss the Department's comments on the draft report. Overall, DOT agreed with our findings. However, the officials stated that while the report accurately describes the decisions the Department has made since the program's inception, it does not sufficiently describe the program's rapid development. They noted that the program was recently authorized, in June 1998, and they have rapidly made important decisions to ensure that fiscal year 1999 grants are awarded quickly. They also provided the following points to clarify certain aspects of the new program. First, they said that they had conducted extensive outreach efforts intended to provide the public with information on the program's implementation and to involve nontraditional groups, such as human service organizations and community-based organizations, in the process. Second, DOT officials noted that in addition to coordinating the program at the federal level, they have stressed local coordination as an equally important component of the Access to Jobs program. Officials noted that the program's guidance should encourage localities to build upon local transportation planning processes as well as increase opportunities to incorporate new players in the planning process. Finally, the officials acknowledged the importance of further developing DOT's plans to evaluate the program and affirmed that the Department will include performance measures for the program in its fiscal year 2000 Performance Plan. On the basis of DOT's comments, we included additional information in the report on the Department's efforts to encourage local coordination and to obtain guidance from transportation and nontraditional partners. DOT had additional technical comments that we incorporated throughout the report, where appropriate.

For its review and comment, we also provided DOL with sections of the draft report that specifically dealt with issues pertaining to it. Overall,

officials agreed with the information. We incorporated DOL's technical comments throughout the report, where appropriate.

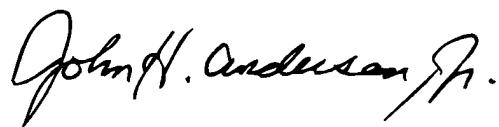
Scope and Methodology

To obtain information on the steps DOT has taken to implement the Access to Jobs program—specifically, to distribute funds and select criteria for awarding grants—we interviewed DOT officials; examined program documentation, preliminary reports, and other descriptive materials; and attended the October 22, 1998, conference in which DOT announced the Access to Jobs program, as well as a September 23, 1998, listening session on TEA-21, sponsored by FTA. To identify the efforts DOT has made to coordinate its work with that of other federal agencies, we interviewed key officials in FTA and DOL and kept abreast of efforts by members of our staff working on related projects. To address the evaluation issue, we interviewed DOT, FTA, and DOL officials; reviewed relevant program documentation; and gathered opinions from selected outside organizations and universities. In addition, we visited the Metropolitan Area Planning Council in Boston, a DOL Welfare-to-Work program grantee, to obtain its views on implementing the Welfare-to-Work program and evaluating its results.

We performed our review from June 1998 through November 1998 in accordance with generally accepted government auditing standards.

We are sending copies of this report to interested congressional committees, the Secretary of Transportation, the Secretary of Labor, and the Administrator of FTA. We will also make copies available to others on request.

If you have any questions about this report, please call me at (202) 512-2834. Major contributors to this report were Ruthann Balciunas, Joseph Christoff, Catherine Colwell, and Phyllis Scheinberg.



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